

Mortgage calculator



Bookmark this page Follow Us:

Adv: PNC. Low rates. Quick decision.

See Bankrate.com on your mobile device.

Search Bankrate.com												Search
Home	Compare Rates	Calculators	News & Advice	The Lighter Side	Blogs							
Mortgage	Refinance	Home Equity	CDs & Investments	Checking & Savings	Auto	Credit Cards	Debt Management	Insurance	College Finance	Retirement	Taxes	Find rates ▾

advertisement

MORTGAGE

Prime rate, fed funds, COFI

By Bankrate.com

The prime rate, as reported by the Wall Street Journal's bank survey, is among the most widely used benchmark in setting home equity lines of credit and credit card rates. It is in turn based on the fed funds rate, which is set by the Federal Reserve. The COFI (11th District cost of funds index) is a widely used benchmark for adjustable-rate mortgages.

Click on the links below to find a fuller explanation of the term.

	This week	Month ago	Year ago
<u>WSJ Prime Rate</u>	3.25	3.25	3.25
<u>Federal Discount Rate</u>	0.75	0.75	0.75
<u>Fed Funds Rate (Current target rate 0-0.25)</u>	0.25	0.25	0.25
<u>11th District Cost of Funds</u>	1.316	1.350	1.713

Updated 10/5/2011

Ratings methodology

What's included? The fed funds rate is the primary tool that the Federal Open Market Committee uses to influence interest rates and the economy. Changes in the fed funds rate have far-reaching effects by influencing the borrowing cost of banks in the overnight lending market, and subsequently the returns offered on bank deposit products such as certificates of deposit, savings accounts, and money market accounts. Changes in the fed funds rate and the discount rate also dictate changes in the Wall Street Journal Prime Rate, which is of interest to borrowers. The prime rate is the underlying index for most credit cards, home equity loans and lines of credit, auto loans, and personal loans. Many small business loans are also indexed to the Prime rate. The 11th District Cost of Funds is often used as an index for adjustable-rate mortgages.

Back to Rate Watch main page

Like

Sign Up to see what your friends like.

Share

Compare Mortgage Rates »

Click for the best Mortgage rates in your state

FIXED RATES		ADJUSTABLE RATES (ARMS) AND INTEREST ONLY (IOs)					
10 year fixed	15 year fixed refi	1 year ARM	1 year ARM refi	3/1 ARM (IO)	5/1 ARM (IO) refi		
15 year fixed	20 year fixed refi	3/1 ARM	3/1 ARM refi	5/1 ARM (IO)	7/1 ARM (IO) refi		
20 year fixed	30 year fixed refi	5/1 ARM	5/1 ARM refi	7/1 ARM (IO)	30 year fixed (IO) refi		
30 year fixed	30 year FHA refi	7/1 ARM	7/1 ARM refi	30 year fixed (IO)	See all ARMs		
30 year FHA	See all fixed	10/1 ARM	10/1 ARM refi	3/1 ARM (IO) refi	See all IOs		

Sponsored Ads

Compare Mortgage Rates

30 yr fixed average **4.04%** Zip code: Zip Code
Product: 30 yr fixed

About our rates

Search

advertisement

Mortgage Overnight Averages

About this index

Product	Rate	+/-	Last week
30 yr fixed mtg	4.04%	▼	4.07%
15 yr fixed mtg	3.38%	▲	3.36%
5/1 ARM	3.02%	▲	3.01%
30 yr fixed mtg refi	4.15%	▼	4.18%
View rates in your area:		Zip Code	Search

SELECT A LOAN TYPE

30 Year Fixed - 3.990%	7 Year ARM
15 Year Fixed - 2.880%	5 Year ARM
3/1 ARM - 2.500%	3 Year ARM

the easy loan site

advertisement

Partner Center

ally BANK

Great Rates. Open & Fund with any Amount. Apply Now.

QuickenLoans

High Mortgage Payment? We Can Help. Get Started Now.

AutoInsuranceQuotes.com

6 Minutes Can Save You \$540 - Get Free Quotes!

CreditCards.com

Compare offers and apply online 0%, \$\$ back, rewards

advertisement

Mortgage Rate Alert

Mortgage rates giving you motion sickness?

Let us watch for you. We'll tell you when they hit your target.

Sign up now! It's simple. »

Place this widget on your Web site!

Choose from many types:

- Calculators
- Stories
- Compare Rates
- Rate Averages



Subscribe: RSS Feeds

advertisement

Understanding Bankrate's rate averages

© 2011 Bankrate, Inc. All Rights Reserved. Privacy | Terms of Use